

**§ 9901.405**

**5 CFR Ch. XCIX (1–1–10 Edition)**

and provide an equitable method for evaluating performance and compensating employees.

*Pay Pool Manager* has the meaning given that term in § 9901.103.

*Pay Pool Panel* has the meaning given that term in § 9901.103.

*Performance* has the meaning given that term in § 9901.103.

*Performance expectations* means the duties, responsibilities, and competencies required by, or objectives associated with, an employee’s position and the contributions and demonstrated competencies management expects of an employee, as described in § 9901.406.

*Performance management* means applying the integrated processes of setting and communicating performance expectations, monitoring performance and providing feedback, developing performance and addressing poor performance, and rating and rewarding performance in support of the organization’s goals and objectives.

*Performance management system* means the policies and requirements established under this subpart, as supplemented by implementing issuances, for setting and communicating employee performance expectations, monitoring performance and providing feedback, developing performance and addressing poor performance, and rating and rewarding performance. It incorporates and operationalizes the elements set forth in § 9901.401(b).

*Performance Review Authority* has the meaning given that term in § 9901.103.

*Rating official* means a representative of management, usually the immediate supervisor, who evaluates and assesses employee performance and recommends a rating of record, share assignment, and payout distribution for review by the Pay Pool Panel.

*Rating of record* has the meaning given that term in § 9901.103.

*Unacceptable performance* has the meaning given that term in § 9901.103.

**§ 9901.405 Performance management system requirements.**

(a) The Secretary may issue implementing issuances further defining a performance management system for NSPS employees, subject to the requirements set forth in this subpart.

(b) The NSPS performance management system—

(1) Provides for the appraisal of the performance of each employee annually;

(2) Holds supervisors and managers accountable for effectively managing the performance of employees under their supervision as set forth in paragraph (c) of this section;

(3) Specifies procedures for setting and communicating performance expectations, monitoring performance and providing feedback, and developing, rating, and rewarding performance;

(4) Specifies the criteria and procedures to address the performance of employees who are detailed or transferred and for employees in other special circumstances;

(5) Provides for the following multiple rating levels:

Rating of record	Rating of record descriptor
Level 5 .....	Role Model.
Level 4 .....	Exceeds Expectations.
Level 3 .....	Valued Performer.
Level 2 .....	Fair.
Level 1 .....	Unacceptable.

(6) Specifies rounding rules for average adjusted ratings as follows:

(i) The combination of the job objective rating and the contributing factor assessment results in an adjusted rating for each job objective;

(ii) The job objective adjusted ratings are averaged to obtain the employee’s raw score;

(iii) Any objective rated as “NR” is not counted when averaging ratings;

(iv) When the employee’s raw score ends with .51 or higher, the rating is rounded to the next higher whole number;

(v) When the employee’s raw score ends with .50 or lower, the rating is rounded to the next lower whole number; and

(vi) The resulting rounded score is the recommended rating of record.

(c) In fulfilling the requirements of paragraph (b) of this section, supervisors and managers will—

(1) Clearly communicate performance expectations and hold employees responsible for accomplishing them;

(2) Make meaningful distinctions among employees based on performance and contribution;

(3) Foster and reward excellent performance;

(4) Address poor performance; and

(5) Assure that employees are assigned a rating of record.

**§ 9901.406 Setting and communicating performance expectations.**

(a) Performance expectations will support and align with the mission and strategic goals, organizational program and policy objectives, annual performance plans, and other measures of performance.

(b) Performance expectations will be communicated to the employee in writing prior to holding the employee accountable for them.

(c) Notwithstanding the requirements in paragraphs (d) through (g) of this section, employees are accountable for demonstrating professionalism and appropriate standards of conduct and behavior, such as civility and respect for others.

(d) In addition to the requirement in paragraph (c) of this section, supervisors and managers will be held accountable through their performance expectations for how well they plan, monitor, develop, correct, and assess subordinate employees' performance.

(e) Performance expectations include—

(1) Goals or objectives that set general or specific performance targets at the individual, team, and/or organizational level;

(2) Organizational, occupational, or other work requirements, such as standard operating procedures, operating instructions, manuals, internal rules and directives, and/or other instructions that are generally applicable and available to the employee; and

(3) Competencies an employee is expected to demonstrate on the job, and/or the contributions an employee is expected to make.

(f) Performance expectations may be amplified through particular work assignments or other instructions (which may specify the quality, quantity, accuracy, timeliness, or other expected characteristics of the completed assignment, or some combination of such

characteristics). Such assignments and instructions need not be in writing.

(g) Supervisors will involve employees, insofar as practicable, in the development of their performance expectations. However, final decisions regarding performance expectations are within the sole and exclusive discretion of management.

(h) Performance expectations are subject to higher- or second-level review to ensure consistency and fairness within and across organizations.

(i) Performance expectations that comprise a performance plan are considered to be approved when the supervisor has communicated the performance plan to the employee in writing.

**§ 9901.407 Minimum period of performance.**

(a) Only employees who have completed the minimum period under one or more NSPS approved performance plans may be issued a rating of record in accordance with the procedures prescribed by this subpart.

(b) The minimum period of performance is 90 calendar days.

(1) Periods during which an employee is in a leave status may not be applied toward the 90-day minimum.

(2) If an employee has a break in NSPS-covered service (e.g., due to job change to a non-NSPS position, resignation), the service performed prior to the break may not be used to satisfy the 90-day minimum period. A break caused by a situation described in § 9901.342(i) through (1) is not considered a break for this purpose.

(c) Employees who have not completed the minimum period of performance during the applicable appraisal period will not be rated and will not be eligible for a performance payout unless otherwise provided in § 9901.342(i) through (1).

**§ 9901.408 Employees on time-limited appointments.**

Employees who are appointed for less than 90 days—

(a) Will be given performance expectations that are linked to the organization's strategic plan; and

(b) May receive an evaluation at the end of the appointment which—